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Maine and Canada

# The Northern Future

by  
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## Maine and Canada **The Northern Future**

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A popular question in trivia games is "what state borders on only one other state?". The answer, of course, is Maine. A tougher variant on this question is "what state borders more Canadian provinces than American states?" The answer, again, is Maine, which suggests a basic feature of Maine that we often forget: how close geographically, economically, culturally, and historically we are to Canada.

The relationship between Maine and Canada has been both friendly and hostile, cooperative and conflictual. Interactions with Canada have been growing rapidly over the past 20 years, and recent changes in trade relations between the two national governments assures that these trends will accelerate in the coming decade. Relations with Canada are thus likely to be one of the most important influences on Maine's future.

### *Some Historical Notes*

Maine's earliest history is inextricably linked with that of the lands now part of Canada. From the "Red Paint People" on, prehistoric Indians roamed across what is now Maine and the Maritime provinces. Samuel de Champlain, a principal founder of Canadian New France in the early 17th century visited Maine and spent his first winter in the new

world on St. Croix Island in the middle of the St. Croix River. The land east of the Penobscot became a kind of no man's land in the 17th century, with claims being laid by both English and French kings and even semi-independent free booters such as the Baron de Saint Castin (after whom Castine is named).

In the years of conflict between the British and French empires in the new world, leading up to the final defeat of the French in the conquest of Québec in 1759, Maine was a constant battle ground. Bloody raids on English settlements at York, Wells, and Pejepscot (now Portland) by the French and their Indian allies were the cause of retaliatory raids on Canadian lands by such early New England and Maine leaders as Sir William Phipp (Phippsburg).

Conflict continued through the American Revolution in the ill-fated expedition of Benedict Arnold up the Kennebec and Dead Rivers into the valley of the Chaudiere and on to an attack on Québec. After the Revolution, the ill-defined boundaries of New England and Canada in Maine had to be finally settled, and when the line was drawn at the St. Croix River rather than the Penobscot (as many had expected) Mainers who remained loyal to the King joined other New England loyalists to form a major part of the population of New Brunswick. Residents of Castine put their houses on barges and moved lock, stock, and barrel to found the town of St. Andrews, New Brunswick.

The years after the Revolution saw one more major boundary dispute (the Aroostook "war") of 1842, but the pattern of Maine-Canadian relations gradually settled down to more peaceful interactions. As northern, eastern and western Maine were opened to settlement and development through the 19th century, commercial and family relationships established themselves along the border. The fishing, potato, and lumber industries of both countries grew together, sharing the resources of the northern woods, the St. John Valley, and the eastern Gulf of Maine.

The post-Revolutionary War movement of people from New England to Canada was reversed in the middle and latter half of the 19th century, when hard economic times and rapid population growth in Québec created the conditions for a huge migration into the burgeoning textile, shoe, and apparel mills of Augusta, Lewiston, Biddeford, Sanford, and other Maine cities. This migration, combined with the French-speaking inhabitants along

both sides of the upper St. John River were the forebears for the 24 percent of Maine's population that is of French heritage<sup>1</sup>.

### Recent Events

Relations between Maine and Canada were focused primarily on the border communities until recent years. But beginning in the late 1970's, and continuing through the past decade, Canada began to loom ever larger in the consciousness of Mainers. Once again, conflict was the predominant mode as Maine's potato, lumber, and fishing industries came under increasing competitive pressures from their Canadian counterparts. Pointing to the greater level of involvement by Canadian federal and provincial governments in the natural resource industries, each of these Maine industries sought relief under U.S. trade laws. The story of their trade relations with Canada is one of the most important aspects of current, and future relationships between Maine and Canada.

- Potatoes

Maine's potato industry is centered in the fertile valleys of Aroostook County, an area similar to much of New Brunswick and Prince Edward Island. Beginning in the late 1970's potato imports from Canada into Maine and into traditional Maine markets became a matter of increasing concern to Maine farmers, who complained that Canadian potatoes were of poor quality and that government subsidies enabled Canadian farmers to produce more potatoes and accept lower prices.

Lost market share and declining prices and incomes moved Maine farmers to dump their potatoes on the ground as a blockade at the border in protest of Canadian imports in 1982. That same year, the industry filed an antidumping suit against Canadian potatoes<sup>2</sup>.

In 1983 the Maine potato industry lost this suit. U.S. law requires that an industry seeking antidumping protection show both that dumping is occurring and that the industry

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<sup>1</sup> 1980 Census figures.

<sup>2</sup> "Antidumping" suits are filed with the U.S. International Trade Commission. Dumping is selling a product in a foreign market below the cost of production in the domestic market. Dumping of excess production in export markets is a way of protecting prices in the domestic market. International trade rules under the General Agreement on Tariffs and Trade permit an importing country to impose duties equal to the difference between the price in the export market and the home market (the "dumping margin").

is being injured as a result of the dumping. The potato growers got an affirmative ruling on the issue of whether the Canadians were dumping potatoes, but the International Trade Commission found that the dumping was not injuring the Maine industry. The ITC pointed to a number of other factors, including poor quality Maine potatoes and an over reliance on varieties of potatoes that were increasingly out of favor in the market place.

Poor growing years and market gluts in others, combined with an increasing volume of Canadian imports after 1983 created some very difficult years for Maine growers in the mid-1980's. While good crops and stable prices in the past two years have mitigated the difficult times of earlier years, the problems that Maine potato farmers have had with Canadian potato imports remain an issue of substantial concern.

- Lumber

Maine's lumber industry has had a dual edged complaint about Canadian competition. One concern has been the export of logs to Canada reducing the supply and increasing the price of the industry's principal raw material. The other is the competition from imports of Canadian lumber.

The sawlog issue arose in the 1970's and has intensified in the 1980's. Sawmills in Québec have used logs cut in Maine since the last century, but during the 1970's the spruce budworm outbreak created a huge supply of dead and dying trees for which forest landowners had to find a market. A major part of the answer was to expand sawmilling capacity in both Maine and Québec to use up this supply. Québec mills were very aggressive in the purchase of logs, and as the surplus turned to shortage after the inventory of diseased trees were harvested, Maine sawmill owners found their costs going up and logs in such short supply that shifts had to be cancelled.<sup>3</sup>

The complaint about lumber imports echoes that of the potato producers. A surge of imported Canadian softwood lumber occurred virtually nationwide in the early 1980's, with a gain of almost 20 percent in market share by Canadian producers. The Maine industry found itself increasingly competing not only with Québec sawmills but also British

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<sup>3</sup> A similar problem existed for white pine lumber producers.

Columbia lumber manufacturers. In 1983 the U.S. lumber industry, including members from Maine filed a countervailing duty suit with the International Trade Commission.<sup>4</sup>

The principal issue in the U.S. industry's complaint was that Canadian lumbermen were able to purchase lumber from provincially owned ("Crown") lands at costs significantly below that U.S. producers had to pay. This complaint was particularly acute for Maine producers, caught in the cost squeeze mentioned above. The federal government found that Canadian public lands timber pricing did not constitute a subsidy and the case was dismissed.

In 1986, however, the U.S. Court of International Trade, ruling in another case, rejected the argument that had been used to find that Canadian timber pricing was not a subsidy. Arguing from this precedent, the lumber industry filed another countervailing duty suit. This time the federal government ruled in their favor. But before the ruling could become final, the Canadian and American governments reached an agreement under which the Canadian government would impose an export tax in lieu of the Americans' imposing a countervailing duty. The export tax, equal to the amount of subsidy determined to exist (15%) would be in place until an equivalent rise in timber prices could be put in place.

All the provinces have now implemented, or are in the process of implementing the price increases called for by the softwood lumber agreement, and so the redress sought by the U.S. lumber industry has effectively been put in place. However, for many Maine sawmills, the issue of sawlog exports remains a painful one.

- Fishing

Complaints about subsidized imports of Canadian groundfish emerged, as with the other industries, in the 1970's and reached a peak in the mid 1980's with a countervailing duty suit filed in 1985. This suit was successful, and in the spring of 1986 a 5.8 percent duty was levied on all fresh groundfish<sup>5</sup> coming in from Canada.

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<sup>4</sup> A countervailing duty suit alleges that an imported product receives subsidies from the exporting country's government. As with antidumping suits, there must be a finding of both an illegal practice by the foreign government and injury to the domestic industry.

<sup>5</sup> Cod, haddock, sole, etc.

But as with lumber, the relationship between the Maine and Canadian industries is significantly more complex than the issue of subsidies. A far larger issue looming over the fishery are questions of ownership and management of the Gulf of Maine-Georges Bank resources. The former issue has been largely settled, the latter have not.

The presence in the 1960's of large fishing fleets from Europe off the coasts of New England and Eastern Canada created severe pressure on the rich resources of the western North Atlantic that resulted in both countries extending their jurisdiction for fishery management to 200 miles in 1977. This created a conflict over where the boundary would be set in the seas between New England and Nova Scotia, where the 200 mile limits overlapped. The United States and Canada originally agreed to negotiate a treaty to share the fisheries in the region and to submit the question of a boundary to the International Court of Justice. A treaty was in fact negotiated in 1979, but the terms were seen as so unfavorable by the New England industry that it had to be withdrawn before the Senate rejected it.

The other part of the agreement, a boundary arbitration, was carried out however. In 1984 the International Court of Justice split the difference between U.S. and Canadian boundary claims and drew a line about two-thirds of the way between Massachusetts and Nova Scotia.<sup>6</sup> The United States got about two-thirds of the geographic area under dispute, but Canada was awarded key fishing grounds.

The disputes over the fishing grounds intensified as declining catches on the American side have encouraged American fishermen to violate the boundary and fish on the Canadian side of the line. Strict Canadian enforcement of their fishery regulations has been another source of irritation in an already-difficult relationship.

The troubled trade relations with Canada that were the hallmark of most of the 1980's in Maine were in sharp contrast to the improving patterns of trade relations between the two nations. Trade between the United States and Canada, the largest bilateral trading relationship in the world, continued to increase. In 1985 President Reagan and Prime Minister Mulroney agreed to negotiations to establish a free trade arrangement between the

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<sup>6</sup>. Under the terms of the U.S.-Canada agreement accepting the ICJ's jurisdiction in the case, the boundary begins about 50 miles off of Washington County and extends out to 200 miles. The area between the 3 mile territorial sea and the beginning of the ICJ line still has no agreed-upon boundary and is likely to be continue to be a source of disputes in the future.



two countries. Following two years of negotiation, and a close Canadian election in which the Agreement reached between the two countries was the major issue, the Agreement entered into force on January 1, 1989 creating a new era in trade relations between the two countries, and opening up a broad vista of opportunities that will fundamentally shape the relations between Maine and Canada in the future.

### *The U.S. Canada FTA*

The U.S.-Canada Free Trade Agreement is the most sweeping trade liberalization agreement that the United States has signed. Running to over 1000 pages, the Agreement is a complex document affecting almost all goods and services traded between the two countries. Its complexity can be reduced to three basic features, however:

- Reducing or eliminating tariff and non tariff barriers.

The Agreement calls for all tariffs on goods to be removed over a 10 year period. About 20 percent of all tariffs were eliminated on January 1, another 20 percent will be phased out (in equal installments) over five years, and the remainder will be phased out in 10 years. The elimination of tariffs applies only to goods substantially manufactured in North America (to prevent other countries' goods from receiving tariff-free treatment).

A variety of non-tariff barriers are also affected by the Agreement. Some, such as a 50 year old ban on the importation of used cars into Canada or the setting of higher prices in provincial liquor stores for American wines will be eliminated entirely. Others, such as technical standards on building materials or food products, will be subject to additional negotiations to harmonize the way the two countries set standards. The Agreement will eliminate certain pricing practices for energy exported from Canada to the United States, and ease the immigration restrictions for business people travelling to the other country to make sales and service accounts.

- Expanding existing principles of international trade to new areas.

The fastest growing type of international trade has been services trade, and yet this area has been outside of the basic international framework governing trade. The U.S.-Canada Agreement is the first major trade agreement to cover trade in services and to apply the basic principle of national treatment to services trade.

National treatment is the rule that says that once the good of another country crosses the border it cannot be discriminated against; it must receive the same treatment by the importing country's government as the goods of that country. This has not, however, been the case with services such as banking, insurance, tourism, architecture and similar ventures. Foreign companies providing these and similar services could be taxed or regulated more heavily than domestic companies. Under the Free Trade Agreement, however, each country must apply the principle of national treatment in any regulation changes made after the January 1, 1989. While this provision leaves in place existing discriminations, it does set in motion a process of change that will significantly liberalize trade in services over time.

- Creating new dispute settlement mechanisms.

The U.S.-Canada Free Trade Agreement was born in the highly disputatious atmosphere characterized by the subsidy complaints of Maine and other U.S. industries. These same disputes were seen in Canada as unfair harassment of Canadian companies by U.S. industries. The softwood lumber case, in which the U.S. government first ruled in favor of Canada and then against them, was seen as a particularly egregious example of this perceived harassment.

What the Canadians saw as misuse of countervailing and antidumping laws and the Americans saw as unfair Canadian subsidies were really two sides of the same coin, of course, and resolving these issues was to have been a central part of the Agreement. However, the broad scope of the other issues addressed by the Agreement prevented the intense negotiations needed to resolve this dispute.

Thus the Agreement contains a stop-gap compromise. Each country retains its own laws and procedures relating to countervailing and antidumping duties. If a country does apply such a duty, an appeal of that decision can be made to a special panel of both Canadians and Americans who will judge whether the original decision was properly made. The Agreement also provides that the two countries will continue negotiations on this

subject for up to seven years, and that if no permanently satisfactory resolution can be found, either country can withdraw from the Agreement.

Beyond this special dispute settlement mechanism, the Agreement sets up a number of other mechanisms for resolving disputes. A U.S.-Canada Trade Commission, consisting of the U.S. Trade Representative and the Canadian Minister of International Trade, is established to handle routine disagreements over the implementation of the Agreement and other trade matters. The two countries also agree to consider binding arbitration in the event that more informal means fail to resolve problems.

The implications of this Agreement for Maine are, on balance, quite positive. The reduction in Canadian trade barriers will open for Maine businesses a wide array of new markets for our goods and services that have been denied for more than a century of Canadian protectionism. Maine's location in the middle of Québec, the Atlantic Provinces and New England will, over time, make the state the location of much new economic activity as two way trade expands even further. But significant questions still remain about the effects on the natural resource industries of Maine, which have played so central a role in the evolution of Maine's recent relations with Canada.

Implementation of the Agreement will take a decade and new disputes will undoubtedly be added to existing, unresolved disputes over trade. But the Free Trade Agreement will undoubtedly be one of, if not the, most important influences shaping the pattern of economic relations between Maine and Canada in the next ten years.

### *Shaping the Northern Future*

Canadian relations are now assuming a larger prominence in Maine than at any time in recent history. Partly in response to the difficulties that key industries have had, partly to the challenges created by increasingly transborder issues such as fisheries management and acid rain, and partly as a result of the increasingly international nature of many issues, Canada is now the focus of much more attention by Mainers in and out of government. Many of the activities and forces shaping our future relations with Canada are already taking place.

## **State Government**

State government is currently undertaking initiatives in a number of areas to address issues with Canada. These include:

- The Conference of New England Governors and Eastern Canadian Premiers.

This annual meeting of the six New England governors and the premiers of Québec, New Brunswick, Nova Scotia, Prince Edward Island, and Newfoundland has provided a continuing forum for discussion of regional issues, including acid rain, energy trade, transportation, and economic development for the past 18 years. The conference is supplemented by year round staff work on areas of interest to the Governors and Premiers. Maine, under Governor Kenneth Curtis, was a major motive force for the creation of this group, which is now the oldest continuing meeting of American governors and Canadian premiers.

- International Commerce Development

As part of the reorganization of economic development functions, the new Department of Economic and Community Development has been given enhanced responsibilities for the promotion of international commerce. This program, designed to enhance both export opportunities and investments in Maine, has targeted Canada as one of its principal areas of focus. The Governor led a trade mission to Halifax, N.S. in 1987, and DECD is currently working with the University of Maine to prepare Maine businesses to take advantages of the opportunities presented by the U.S.-Canada Free Trade Agreement. The International Commerce Program also has an international participation component to encourage and assist community groups and others to form sister-city and similar relationships with other nations.

- Transportation

Maine has been a key transportation link between the U.S. and Canada since the Canadian Pacific Railroad built its principal route to the Maritimes across northern Maine a century ago. Today, trucking and railroads still provide important transportation services: the only passenger railroad left in Maine is a Canadian train from Montréal to Halifax, and more than 100,000 trucks a year are crossing the border at Calais. Improving our road

links with Canada is a major part of the Department of Transportation's expanded road redevelopment program funded by the increase in the gas tax enacted last year.

The Department of Transportation has also initiated an annual consultation with the Transportation Ministries in New Brunswick and Québec to work on issues of mutual concern such as rail service, road improvements, and new bridges.

- Agriculture

The problems of Maine potato farmers were discussed above. While many of their concerns can be addressed only by the federal government, the state government has been working to resolve those issues within its purview. Regular meetings between the Maine Department of Agriculture and the New Brunswick Ministry of Agriculture have helped resolve issues over the certification of seed potatoes grown in Maine for use in New Brunswick. The Department is also a member of the States-Provinces Agricultural Accord, a semi-annual meeting of Commissioners and Ministers of Agriculture.

- Marine Issues

The most critical issue in the marine area is resolving different approaches to fisheries management and minimizing the conflicts over the fishery resources. This is primarily a federal responsibility, especially in Canada. But Maine is cooperating with Canadian fishery scientists in a number of research areas seeking to understand the biological and oceanographic influences on shared fish stocks, such as herring.

The shared resources of the Gulf of Maine- and the shared responsibility for maintaining the ecological health of that resource are the focus of the a new initiative in joint planning and research being organized by the Maine Coastal Program of the State Planning Office. Working with the states of New Hampshire and Massachusetts and the provinces of Nova Scotia and New Brunswick, the Gulf of Maine initiative will bring together government officials responsible for managing environmental resources that affect the Gulf of Maine, both onshore and offshore.

## **Other Relationships**

- The University of Maine

The University of Maine System has a wide array of relationships and activities related to Canada. Preeminent among these is the Canadian-American Center at the University of Maine, one of the nation's leading centers for scholarly research and public service activities relating to Canada. The Center coordinates and assists the activities of dozens of faculty members at Orono whose activities involve Canada. The University of Maine also has a wide-ranging cooperation agreement with the University of New Brunswick. Each campus of the University also has faculty engaged in Canadian studies, and several have or are developing formal ties with Canadian Universities.

- Energy Trade

One of the most important, but least noticed (until recently) areas of trade is the use of Canadian energy by Maine. Aroostook County has depended on electricity generated in New Brunswick since the electrification of that region, but Maine has been importing significant quantities of electricity from New Brunswick since the 1960's. Overall, Maine currently gets more than 20 percent of its electricity from Canada. This figure has increased during the past decade as the New England Power Pool began to buy significant quantities of electricity from Hydro Québec to supplement domestic generation.

Electricity is not the only energy source we buy from Canada. While Maine uses relatively little natural gas, increasing amounts are coming from Canada. Southern New England pipelines feeding natural gas supplies to Maine already buy significant quantities from Canada, and one of the pipelines that had carried oil from Portland to Montréal has been converted to bring natural gas from Montréal to Portland.

- Business Relationships

Not all relationships between Maine and Canadian businesses are characterized by the kind of conflict and competition present in the potato, lumber, and fishing industries. For example, the blueberry industry in Maine has developed a very strong cooperative

relationship with the firms in New Brunswick and Nova Scotia in the form of the Wild Blueberry Association of North America. This group has developed aggressive marketing programs for blueberries in Europe and Japan.

Even in those industries where conflict has been the greatest, cooperation continues in many ways. The Maine sardine industry, one of the strongest opponents of the Free Trade Agreement because of concerns about Canadian subsidies, nevertheless continues close cooperation with their Canadian counterparts to share a dwindling herring resource and to jointly fund research.

- Community relationships

While state-provincial relations are strengthening, local governments have been working on closer relations for a number of years. Close cooperation on a broad array of community issues has been the norm in such border towns as Madawaska and Edmunston and Calais-St. Stephen. New relationships have been formed between Bangor and Saint John.

Regional groups are also forming cross-border ties. The Washington County Regional Planning Commission has been working closely with planning officials in Charlotte County, New Brunswick; these groups jointly sponsor a Passamaquoddy Region Development Conference each year.

A more-recently formed group, the Western Mountains Alliance, has set closer ties with Québec as one of its principal objectives. Working with the University of Maine at Farmington, the Alliance has a number of projects underway to attract Canadians to the Western Mountain region and to develop sister-city relations like that of Bangor and Saint John.

### **Additional Ideas for Shaping the Northern Future**

Maine is well on the way to taking advantage of the opportunities— and confronting the challenges— of an expanding relationship with Canada. Efforts are well established and expanding in intergovernmental relations, trade development, and education. Perhaps the most important area where efforts need to be enhanced is to further increase knowledge and awareness among Maine people of our Canadian neighbors.

It is a common observation of U.S.-Canadian relations that Canadians pay much more attention to, and are much better informed of, events in the United States than are Americans of Canada. This observation is as true of Mainers as of any other Americans, despite our long border and historic ties. Several steps might be taken in addition to those already underway:

- Increasing Communication and Cooperation in the Natural Resource Industries.

Misunderstanding and misinformation about Canada have been a part of the conflicts over trade that have occurred in the natural resource industries. When businessmen in these industries meet and talk they frequently learn more about each other than they thought possible, and problems that were seen as unique are seen in fact to be shared. While relations between government officials dealing with these industries are essential, they cannot substitute for dialogs among those directly affected by changing trade policies. Ultimately it is the businesses in these industries on both sides of the border that will solve their problems, and the sooner they begin to talk the sooner they may find those solutions.

- Increasing capacity for dealing in with Canadians in French

French is the language of more than 80 percent of the Québec population, and more than 25 percent of the New Brunswick population<sup>7</sup>. French is also the language spoken at home by of 9 percent of Maine's population<sup>8</sup>. The ability to serve the French speaking markets in Canada is greatly enhanced for French speaking Americans, whether this be for tourist businesses in Old Orchard or for exporters trying to sell to Montréal.

While good French programs exist in many elementary, secondary, and college level schools, the use of French in Maine is subject to a curious double standard. While many businesses advertise "Ici on parle français," French has historically been viewed as a sign of poor education and lower class status, and Mainers who spoke French were too often seen as members of an inferior ethnic group. Outside of certain communities- such as

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<sup>7</sup> New Brunswick is Canada's only officially bilingual province.

<sup>8</sup> 1980 Census.



the Little Canada section of Lewiston, Sand Hill in Augusta, or the St. John River Valley, French was a detriment rather than an asset.

This has begun to change dramatically in the last few years. Franco-American communities have come to see their French heritage as a source of strength and pride. Le Festival Franco-Americain in Lewiston and the Le Festival de la Bastille in Augusta are signs of this renewed pride.

The challenge for the future is to strengthen and find ways to build on the French heritage of Maine in improving our relations with Canada, and of building an awareness and capacity for using French among other Maine citizens. Expanded educational opportunities, from elementary school through adult education are probably the most appropriate means for meeting this challenge.

Use U.S.-Canada Peace and Friendship Days to build relations.

By historical coincidence, the national celebrations of independence in the United States and Canada fall together in early July. July 1 is Canada Day, celebrating the establishment of the Dominion of Canada as a self-governing part of the British Empire in 1867. This coincidence was noted several years ago and a movement begun to declare the two days between July 1 and July 4 as U.S.-Canada days of peace and friendship. This has been officially recognized by the legislatures in Maine and in the neighboring provinces.

No special events are mandated by this recognition. Rather communities and other groups are encouraged to develop appropriate events and ceremonies. Calais and St. Stephen have long had international friendship days, for example. The peace and friendship days provide a rationale for any number of cross-border events and activities that would encourage additional ties.

- Encouraging the formation of additional sister city relations.

As noted, towns along the border have long-established ties with their neighbors. The development of relations among non-border communities is a more recent

development, as evidenced by that of Bangor and Saint John. Such relations need not be restricted to larger or border towns. Even smaller communities could establish such ties, perhaps as part of enhanced French education programs for example.

- Encourage expanded media coverage of Canada

Maine television stations are frequently the most watched stations in Maritime Canada and almost half of MPBN's members live in Canada thanks to the development of extensive cable systems there. While Canadian stations are carried in border communities, coverage of Canada by the Maine media is sporadic, usually only when there is a direct Maine "angle" in some Canadian event. While nothing can be done to mandate additional coverage, the importance of the media in expanding awareness and understanding of what is happening across the border needs to be identified.

### Conclusion

There is an old saying that Maine is not the end of the road, but you can see it from here. We have seen ourselves as tucked away in the far northeast corner of the United States and as somehow out of the mainstream of economic and cultural life. The dramatic economic growth that Maine, particularly southern Maine has enjoyed in the 1980's has shown how traditional views can be changed. Equally dramatic changes are in store for Maine in the northern future opened by an expanding relationship with Canada.

### **About the Author**

Charles S. (Charlie) Colgan is Associate Professor of Public Policy at the University of Southern Maine. He is the former Special Assistant for U.S. - Canadian Trade to Governor John McKernan and Governor Joseph Brennan and he continues to advise Governor McKernan on Canadian affairs. He has served in a number of positions in Maine state government since 1976, most recently as State Economist, the principal economic advisor to the Governor and head of the Economics Division of the State Planning Office. He was previously Senior Economist and Director of Policy at the State Planning Office and Director of Research at the Finance Authority of Maine.

He has also taught economics at Thomas College in Waterville, at the University of Maine at Farmington and political science at Muhlenberg College in Allentown, Pa. He completed his undergraduate studies at Colby College in Waterville and graduate work in international relations at the University of Pennsylvania.



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